

IN THE HIGH COURT OF GUJARAT AT AHMEDABAD

FIRST APPEAL No 5088 of 1999

For Approval and Signature:

Hon'ble MR.JUSTICE D.C.SRIVASTAVA sd/-

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1. Whether Reporters of Local Papers may be allowed : NO  
to see the judgements? No
  2. To be referred to the Reporter or not? No :
  3. Whether Their Lordships wish to see the fair copy : NO  
of the judgement? No
  4. Whether this case involves a substantial question : NO  
of law as to the interpretation of the Constitution  
of India, 1950 of any Order made thereunder? No
  5. Whether it is to be circulated to the Civil Judge? No :

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GSRTC

Versus

MINOR ARUNABEN GORDHANBHAI THRO' GORDHANBHAI BHURABHAI  
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Appearance:

MR HEMANT S SHAH for Petitioner  
RULE SERVED for Respondent No. 1  
DELETED for Respondent No. 2  
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CORAM : MR.JUSTICE D.C.SRIVASTAVA

Date of decision: 13/03/2000

ORAL JUDGEMENT

1. In this Appeal Notice for final disposal was  
issued on 11.10.1999 and the notice was made returnable  
on 22.10.1999. Thereafter several dates were given. The

respondent No.2 has been deleted. The respondent No.1 has been served with notice for final disposal of this First Appeal. None appears on behalf of the respondent No.1. As such in view of earlier order of this Court the Appeal is taken up for admission and final hearing at this stage.

2. Learned Counsel for the appellant has been heard. Sole contention is that he is challenging the Award in so far as it awards interest at the rate of 15 % per annum from the date of application till the date of Award. His contention has been that the interest is excessive and it should not have exceeded 12 % p.a. Apparently the contention sounds well. The Appeal is, therefore, admitted and it is being finally disposed of on the point of interest only. Other findings of the Tribunal need not be considered and disturbed.

3. Keeping in view the various pronouncements of the Apex Court enhancing interest from 6 % p.a. to 12 % p.a. inference can be drawn that interest exceeding 12 % p.a. will be unreasonable, more particularly since the Appeal is being decided today and the trend of the banks is to go on reducing the rate of interest it is just an expedient to reduce the interest awarded by the Tribunal at the rate of 15 % p.a. to 12 % p.a.

3. The Appeal, therefore, succeeds in part only. The Award of the Tribunal is modified only to this extent that the rate of interest mentioned by the Tribunal in the operative portion of Award at 15 % p.a. from 21.3.1990 shall be read as 12 % p.a. from 21.3.1990.

sd/-

Date : March 13, 2000 ( D. C. Srivastava, J. )

\*sas\*